by them to the J & K State authorities for enhancement of support price of silk concoons.

Since fixation of cocoon price is a State subject, the State Sericulture Department of J & K has been requested to consider, the matter sympathetically and take appropriate action. However, in order to encourage production of bivoltine silk in the country, the Central Silk Board (CSB) has been implementing a scheme for payment of incentive bonus of Rs. 10/- per Kg. of bivoltine hybrid cocoons produced by rearers, by sharing the expenditure equally between the Central Silk Board and the participating States. As far as J & K is concerned, the above scheme for payment of incentive bonus has been modified on the request of the State Government and the incentive bonus is being paid on bivoltine seed cocoons produced by the rearers of the State. The Central Silk Board has released a sum of Rs. 4.09 lakhs to the J & K State Sericulture Department being CSB's share for the year 1992-93.

Reopening of the Textile Package by USA

1568. SHRI MENTAY PADMANABHAM: Will the Minister of TEXTILES be pleased to state:

(a) whether it is fact that USA is going back on its assurances and is attempting to reopen the textile package to demand on the increase of the transition period with regard to GATT talks;

(b) what steps Government have taken in this regard; and

(c) whether Government have filed a caveat in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (c) Government are aware of the moves on the part of the US Government to seek an extension of the phase out of the Multi Fibre Arrangement. Government of India have conveyed its serious concern on this development to the US Government.

Multi Fibre Agreement with USA on Textile Exports

1569. SHRI MENTAY PADMANABHAM:

SHRI VIDUTHALAI VIRUMBI:

Will the Minister of TEXTILES be pleased to state:

(a) whether there is any proposal under Governments consideration to review the Multi-Fibre Agreement (MFA) with U.S.A.;

(b) if so, the details thereof;

(c) whether USA is becoming increasingly reductant to export textile products from India; and

(d) if so, what are the efforts made by Government to increase textile exports to USA?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) Trade in textiles with USA is currently regulated by a bilateral textile agreement between India and USA under the Multi-Fibre Arrangement (MFA). The term of the bilateral agreement expires on 31-12-1993 and the extension of the agreement under the MFA for another term is under negotiation between the two countries. Under the Uruguay Round Negotiations, the MFA is expected to be phased out in accordance with the transition Arrangement provided for in the Draft Final Act (Dunkel Draft). India's access of textile products to USA and exports of these items have been increasing in recent years.

Inter-Ministerial Committee Report on Handloom Problems

1570. SHRI PRAGADA KOTAIAH: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the Minister of Textiles held a meeting with Ministry of Finance and a representative of the handloom Industry on 19th August, 1992 for discussing problems of the handloom industry;

(b) if so, whether, on the suggestion made in the above meeting, Government appointed an Inter Ministerial Committee on 3rd September, 1992;

(c) if so, what are the names of officials and non-officials who were present at the meeting and the proceedings of the Meeting;

(d) the names of Members of the Inter-Ministerial Committee;

(e) what are the terms of reference of the Committee as per the background note circulated to Members; and

(f) the details of the report of the Committee and the decisions taken thereon?

THE MINISTER OF STATE OF THE MINISTRY TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b) Yes, Sir.

(c) The Meeting convened by the Finance Minister on 19th August, 1992 was attended by Minister of State for Textiles, Shri Pragada Kotaiah, MP, Finance Secretary, Secretary (Expenditure). Secretary (Textiles), Development Commissioner (Handlooms, Chairman (Central Board of Excise and Customs) and Additional Secretary (Banking). Considering the various points relating to handloom sector raised in this meeting by hos'ble MP, the Finance Minister indicated that Ttxtiles Ministry should consider setting up a High Power Committee to look into various problems faced by the handloom sector in order to make specific suggestions and identify the strategy for ameliorating tht conditions of handloom weavers.

(d) The Inter-Ministerial Committee comprised of the following Members :—

1. The Development Commissioner for Handlooms, Ministry of Textiles—Convenor.
2. The Joint Secretary, Plan Finance (II), Ministry of Finance.
3. The Joint Secretary (Banking), Ministry of Finance.
4. The Deputy Secretary (Revenue), Ministry of Finance.
5. The General Manager, NABARD.
6. The General Manager, SIDBI.
7. The Deputy Adviser, Planning Commission.
8. The Deputy Secretary (IFW), Ministry of Textiles.
9. The Joint Development Commissioner for Handlooms, Ministry of Textiles.

(e) The terms of reference of the Committee are as under :—

(i) Problems faced by the handloom weavers in availing credit and measures necessary to improve the credit flow to the handloom weavers in co-operative as well as those outside the co-operative fold;

(ii) Incidence of sales tax and other taxes on inputs required by the handloom sector and measures necessary in this regard;

(iii) Relief to the handloom sector from payment of excise duties on inputs specially on dyes and chemicals;

(iv) Cost handicap suffered by the handlooms vis-a-vis [illegible] and final measures necessary to support the handloom sector;

(v) Steps necessary to modernise the handloom industry;

(vi) Availability of cotton yarn and measures necessary to increase supply thereof; and

(vii) Budgetary and fisancial constraints that may be hampering the growth of the sector.

(f) The main recommendations of the Committee and the action taken thereon are given in the Statement.

Statement

Note on the action taken on the recommendations of the Inter-Ministerial Committee

Sl. No.	Brief Recommendations	Action taken by Ministry of Textiles
1	NABARD should explore the possibility to expand the flow of finance through commercial banks to the primary weavers co-operative societies. SIDBI may identify ways of augmenting credit to weavers outside the co-operative fold. State level Standing Committees may be set-up in major Handloom producing States to go into the individual cases relating to problems of credit.	Concerned State Governments have been directed to constitute Standing Committees The States of Kerala, Andhra Pradesh Uttar Pradesh and West Bengal have already constituted these Committees. NABARD has examined the proposal and has stated that it is not possible to make available Nabard refinance through Commercial banks for Primary Handloom Weavers' Societies.
2	The issue of abolition of sales tax/multiple tax on inputs required by the Handloom sector should again be taken up with the State Governments.	The Chief Secretaries and Chief Ministers/ Governors of all States have been requested to abolish sales tax and octroi duties on all inputs used in the handloom sector irrespective of whether they are produced within or outside the States.
3	The proposal for levy of concessional rate of excise duty on dyes and chemicals supplied to handloom agencies may be considered.	The proposal could not be considered by Ministry of Finance in view of the recommendations of the Committee constituted under the chairmanship of Dr. Chelliah to do away with the end-use based exemptions. Ministry of Textiles have however, reiterated the stand and requested Ministry of Finance to re-consider the proposal.
4	A technical group should be constituted to find the ways and means of improving the collection of excise duty from decentralised powerloom sector and processing houses so as to prevent excise evasion by these units.	Ministry of Finance has issued modus operandi circulars to ensure that evasion is prevented.
5	The committee supported the proposal for creation of Handloom Development Fund.	The proposal for creation of a Handloom Development Fund has been withdrawn and in its place the scheme for setting up 3,000 Handloom Development Centres and 500 Quality Dyeing Units in various parts of the country has been approved for implementation.

Comptroller and Auditor General's Report on the Functioning of Central Silk Board

1571. SHRI MOHINDER SINGH LATHER :

SHRI DIGVIJAY SINGH :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Comptroller and Auditor General of India has submitted a report on the functioning of the Central Silk Board and whether Government have examined the comments made therein ;

(b) if so, what are the details of the report and Government's comments thereon ; and